
OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

Date Issued: February 24, 2010

IBA Report Number: 10-18

Guiding Principles for Structural Budget Deficit Elimination Plan

The purpose of this report is to transmit the eleven Guiding Principles as amended and adopted by the City Council on February 22, 2010. These Principles will guide the development of a comprehensive plan over the next several months to eliminate the City's structural budget deficit. The Mayor's Office has committed to working with the Independent Budget Analyst, the Budget and Finance Committee and the full City Council in the development and implementation of this Plan.

On December 9, 2009 the City Council adopted resolutions recommended by the Mayor to enact \$179 million in General Fund budgetary reductions in order to address budget shortfalls projected for FY 2010 and FY 2011. City Council approval was predicated on the commitment to address and solve the City's ongoing budgetary imbalances. This action provided an 18-month "bridge" allowing the City to work to achieve further structural reforms. The Mayor has preliminarily estimated a budget deficit of \$77 million for FY 2012.

In response to Council direction, on January 4, 2010 the IBA issued Report No. [10-01](#), "Developing a Structural Budget Deficit Elimination Plan" which proposed a set of guiding principles and key components deemed necessary to effectively address a structural budget deficit. The principles were discussed and amended by the Budget and Finance Committee on January 6 and 27, 2010 and referred to the City Council for final consideration. On February 22, 2010, the Council considered additional input from the Mayor's Office and the Independent Budget Analyst which resulted in Council adoption of the attached Guiding Principles.

[SIGNED]

Andrea Tevlin
Independent Budget Analyst

Attachment